Amendments to the Claims:

This listing of claims will replace all prior versions and listings of claims in the

application:

Listing of Claims:

Claim 1 (original): A system for managing material distribution and returned

materials, the system comprising:

a database for storing relevant data used or generated in implementing the system;

and

an application server for managing material distribution and returned materials by

executing an inventory management program, the inventory management program

comprising a material distribution management module for managing outgoing stocks

that are to be distributed to different places, and a returned material management

module for managing incoming stocks that are received from different places.

Claim 2 (original): The system according to claim 1, further comprising a database

server linked to the database, the database server being provided for managing of

processing of the data stored in the database.

Claim 3 (original): The system according to claim 2, further comprising a plurality

of client computers, each of the client computers comprising a user interface for

receiving orders input by users, and for displaying results of implementation of said

orders.

Claim 4 (original): The system according to claim 1, wherein the inventory

management program further comprises a basic data management module for

maintaining information including material types, storage locations, and production

departments.

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Claim 5 (original): The system according to claim 4, wherein the inventory

management program further comprises a manufacturing order management module for

maintaining manufacturing orders.

Claim 6 (original): The system according to claim 5, wherein the inventory

management program further comprises a database connection module, which connects

the basic data management module, the material distribution management module, the

returned material management module and the manufacturing order management

module with the database server, for enabling said modules to access the database

conveniently.

Claim 7 (original): The system according to claim 1, wherein the relevant data

stored in the database comprise basic data records, material distribution records,

returned material records, manufacturing orders, inventory variation records and

inventory status records.

Claim 8 (currently amended): A method for managing material distribution, the

method comprising:

transmitting material extraction information on outgoing stocks to an application

server;

executing an inventory management program by said application server, said

inventory management program comprising a material distribution management module

for managing said outgoing stocks that are to be distributed to different places;

generating inventory variation information;

receiving checked inventory variation information; and

updating corresponding data records stored in a database, said records comprising

a material distribution record, an inventory variation record and an inventory status

record.

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Claim 9 (currently amended): A method for managing returned materials, the method comprising:

transmitting information on incoming stocks to be received by a warehouse to an application server;

executing an inventory management program by said application server, said inventory management program comprising a returned material management module for managing said incoming stocks that are received from said warehouse;

generating inventory variation information; and

updating corresponding data records stored in a database, said records comprising a returned material record, an inventory variation record and an inventory status record.